

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Business Affairs & Labor.

HB23-1105 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, **add** 24-31-117 and
4 24-31-118 as follows:

5 **24-31-117. HOA homeowners' rights task force - creation -**
6 **membership - duties - facilitation - reporting - definitions - repeal.**

7 (1) AS USED IN THIS SECTION AND IN SECTION 24-31-118, UNLESS THE
8 CONTEXT OTHERWISE REQUIRES:

9 (a) "COMMON INTEREST COMMUNITY" HAS THE MEANING SET
10 FORTH IN SECTION 38-33.3-103 (8).

11 (b) "DEVELOPER" MEANS ANY PERSON THAT OWNS A SUBDIVISION
12 OR IS A DESIGNEE OF THE OWNER OF A SUBDIVISION.

13 (c) "DISPROPORTIONATELY IMPACTED COMMUNITY" HAS THE
14 MEANING SET FORTH IN SECTION 24-4-109 (2)(b).

15 (d) "EXECUTIVE BOARD" HAS THE MEANING SET FORTH IN SECTION
16 38-33.3-103 (16).

17 (e) "FACILITATOR" MEANS THE THIRD-PARTY TASK FORCE
18 FACILITATOR HIRED PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION
19 AND PURSUANT TO SECTION 24-31-118 (3)(a).

20 (f) "HOA HOMEOWNER" MEANS A "UNIT OWNER" AS DEFINED IN
21 SECTION 38-33.3-103 (31).

22 (g) "HOMEOWNERS' ASSOCIATION" OR "ASSOCIATION" MEANS AN
23 "ASSOCIATION" AS DEFINED IN SECTION 38-33.3-103 (3).

24 (h) "SUBDIVISION" HAS THE MEANING SET FORTH IN SECTION
25 12-10-501 (3)(a).

26 (i) "TASK FORCE" MEANS THE HOA HOMEOWNERS' RIGHTS TASK
27 FORCE CREATED IN SUBSECTION (2) OF THIS SECTION.

28 (2) THE HOA HOMEOWNERS' RIGHTS TASK FORCE IS CREATED IN
29 THE DEPARTMENT OF LAW, CREATED IN SECTION 24-1-113 (1), TO EXAMINE
30 ISSUES CONFRONTING COMMUNITIES THAT ARE GOVERNED BY THE
31 EXECUTIVE BOARD OF AN ASSOCIATION.

32 (3)(a) THE HOA HOMEOWNERS' RIGHTS TASK FORCE CONSISTS OF
33 THE FOLLOWING:

34 (I) EX OFFICIO MEMBERS:

35 (A) A REPRESENTATIVE OF THE DEPARTMENT OF LAW, AS
36 APPOINTED BY THE ATTORNEY GENERAL;

37 (B) THE DIRECTOR OF THE DIVISION OF REAL ESTATE CREATED IN
38 SECTION 12-10-207 (1) OR THE DIRECTOR'S DESIGNEE;

39 (C) THE STATE DIRECTOR OF THE DIVISION OF HOUSING IN THE
40 DEPARTMENT OF LOCAL AFFAIRS APPOINTED PURSUANT TO SECTION

1 24-32-704 (1) OR THE STATE DIRECTOR'S DESIGNEE; AND
2 (D) THE HOA INFORMATION OFFICER APPOINTED PURSUANT TO
3 SECTION 12-10-801 (1); AND
4 (II) MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE OF
5 REPRESENTATIVES, IN CONSULTATION WITH THE CHAIRS OF THE HOUSE OF
6 REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT
7 COMMITTEE AND THE SENATE LOCAL GOVERNMENT AND HOUSING
8 COMMITTEE:
9 (A) TWO HOA HOMEOWNERS IN THE STATE, AT LEAST ONE OF
10 WHOM RESIDES IN A COMMON INTEREST COMMUNITY LOCATED IN A
11 DISPROPORTIONATELY IMPACTED COMMUNITY AND AT LEAST ONE OF
12 WHOM SERVES ON THE EXECUTIVE BOARD OF THE HOA HOMEOWNER'S
13 HOA;
14 (B) AN ATTORNEY LICENSED IN THE STATE WHO SPECIALIZES IN
15 COMMON INTEREST COMMUNITY LAW;
16 (C) A REPRESENTATIVE OF AN ORGANIZATION THAT ADVOCATES
17 FOR HOA HOMEOWNERS IN THE STATE;
18 (D) A REPRESENTATIVE OF A DEVELOPER REGISTERED PURSUANT
19 TO SECTION 12-10-503 (1);
20 (E) AN ACCREDITED COMMUNITY ASSOCIATION MANAGER;
21 (F) AN ATTORNEY LICENSED IN THE STATE WHO PRIMARILY
22 REPRESENTS HOMEOWNERS IN LEGAL PROCEEDINGS AGAINST COMMON
23 INTEREST COMMUNITIES;
24 (G) A MEMBER OF THE HOUSE OF REPRESENTATIVES; AND
25 (H) A MEMBER OF THE SENATE.
26 (b) (I) MEMBERS OF THE TASK FORCE SHALL BE DESIGNATED OR
27 APPOINTED TO THE TASK FORCE PURSUANT TO SUBSECTION (3)(a) OF THIS
28 SECTION ON OR BEFORE JULY 15, 2023.
29 (II) MEMBERS APPOINTED TO THE TASK FORCE SERVE AT THE
30 PLEASURE OF THE APPOINTING AUTHORITIES. THE APPOINTING
31 AUTHORITIES MAY APPOINT A NEW MEMBER TO THE TASK FORCE TO
32 REPLACE A MEMBER WHO CAN NO LONGER SERVE ON THE TASK FORCE.
33 (III) (A) EXCEPT AS PROVIDED IN SUBSECTION (3)(b)(III)(B) OF
34 THIS SECTION, MEMBERS OF THE TASK FORCE SERVE WITHOUT
35 COMPENSATION.
36 (B) LEGISLATIVE MEMBERS APPOINTED TO THE TASK FORCE
37 PURSUANT TO SUBSECTIONS (3)(a)(II)(G) AND (3)(a)(II)(H) OF THIS
38 SECTION ARE COMPENSATED PURSUANT TO SECTION 2-2-307.
39 (IV) THE TASK FORCE SHALL MEET AS EARLY AS PRACTICABLE
40 AFTER ALL MEMBERS HAVE BEEN DESIGNATED OR APPOINTED PURSUANT
41 TO SUBSECTION (3)(a) OF THIS SECTION. THE REPRESENTATIVE OF THE
42 DEPARTMENT OF LAW SERVING ON THE TASK FORCE IS THE CHAIR OF THE
43 TASK FORCE. THE CHAIR SHALL CONVENE AS MANY MEETINGS OF THE

1 TASK FORCE AS THE CHAIR DEEMS NECESSARY.

2 (c) (I) THE TASK FORCE SHALL EXAMINE ISSUES CONFRONTING
3 HOA HOMEOWNERS' RIGHTS, INCLUDING THE FOLLOWING AUTHORITY AND
4 PRACTICES OF ASSOCIATIONS:

5 (A) FINING AUTHORITY AND PRACTICES;

6 (B) FORECLOSURE PRACTICES;

7 (C) COMMUNICATIONS WITH HOA HOMEOWNERS REGARDING
8 ASSOCIATION PROCESSES AND HOA HOMEOWNERS' RIGHTS AND
9 RESPONSIBILITIES; AND

10 (D) FOR EACH ASSOCIATION IN A REPRESENTATIVE SAMPLE OF
11 ASSOCIATIONS IN THE STATE THAT THE TASK FORCE SELECTS, THE
12 AVAILABILITY OF AND METHOD OF MAKING AVAILABLE TO HOA
13 HOMEOWNERS IN THE ASSOCIATION: THE DECLARATION; COVENANTS;
14 BYLAWS; ARTICLES OF INCORPORATION IF THE ASSOCIATION IS A
15 CORPORATION OR OTHER ORGANIZATIONAL DOCUMENTS IF THE
16 ASSOCIATION IS ANOTHER TYPE OF ENTITY; RULES AND REGULATIONS;
17 RESPONSIBLE GOVERNANCE POLICIES ADOPTED PURSUANT TO SECTION
18 38-33.3-209.5; ANY OTHER POLICIES THAT THE EXECUTIVE BOARD OF THE
19 HOA ADOPTS; FINANCIAL STATEMENTS AS DESCRIBED IN SECTION
20 7-136-106; THE MOST RECENT RESERVE STUDY, IF THE ASSOCIATION HAS
21 CONDUCTED A RESERVE STUDY; AND RECORDS OF THE EXECUTIVE BOARD'S
22 ACTIONS RELATED TO COLLECTIONS ACTIVITY OR LEGAL ACTION TAKEN
23 AGAINST A UNIT OWNER.

24 (II) THE TASK FORCE SHALL ALSO REVIEW HOA HOMEOWNERS'
25 COMPLAINTS, AS REPORTED TO THE HOA INFORMATION AND RESOURCE
26 CENTER CREATED IN SECTION 12-10-801 (1) OR TO HOMEOWNERS'
27 ADVOCACY GROUPS IN THE STATE.

28 (III) AS PART OF THE TASK FORCE'S EXAMINATION, THE TASK
29 FORCE SHALL REVIEW:

30 (A) THE "COLORADO COMMON INTEREST OWNERSHIP ACT",
31 ARTICLE 33.3 OF TITLE 38, AND ANY OTHER LAWS IN THE STATE
32 REGARDING COMMON INTEREST COMMUNITIES;

33 (B) OTHER STATES' LAWS REGARDING COMMON INTEREST
34 COMMUNITIES; AND

35 (C) THE UNIFORM COMMON INTEREST OWNERSHIP ACT OF 2021, AS
36 PROMULGATED BY THE NATIONAL CONFERENCE OF COMMISSIONERS ON
37 UNIFORM STATE LAWS.

38 (IV) THE EXECUTIVE BOARD OF AN ASSOCIATION SHALL
39 COOPERATE WITH ANY REQUEST FROM THE TASK FORCE FOR INFORMATION
40 REGARDING THE ASSOCIATION, INCLUDING ANY REQUEST FOR THE
41 ASSOCIATION'S GOVERNING DOCUMENTS, FINANCIAL STATEMENTS,
42 RESERVE STUDIES, OR RECORDS RELATED TO COLLECTIONS ACTIVITY OR
43 LEGAL ACTIONS. AN ASSOCIATION SUBMITTING DOCUMENTATION TO THE

1 TASK FORCE SHALL REMOVE ALL PERSONAL IDENTIFYING INFORMATION
2 FROM THE DOCUMENTATION BEFORE SUBMITTING IT. THE TASK FORCE MAY
3 ONLY REPORT ON INFORMATION RECEIVED FROM AN ASSOCIATION IN A
4 MANNER THAT PROTECTS AGAINST THE PUBLICATION OF ANY PERSONAL
5 IDENTIFYING INFORMATION OF HOA HOMEOWNERS.

6 (4) (a) THE DEPARTMENT OF LAW SHALL HIRE A THIRD-PARTY
7 FACILITATOR TO GUIDE THE WORK OF THE TASK FORCE.

8 (b) THE TASK FORCE MAY SEEK OUT AND ASSIGN MEMBERS OF THE
9 PUBLIC TO SERVE ON AN ADVISORY COMMITTEE TO ASSIST THE TASK FORCE
10 IN ITS WORK.

11 (5) (a) ON OR BEFORE OCTOBER 15, 2023, THE TASK FORCE SHALL
12 PREPARE AN INTERIM REPORT OF ITS INITIAL FINDINGS AND CONCLUSIONS
13 REGARDING MATTERS THE TASK FORCE EXAMINES PURSUANT TO
14 SUBSECTION (3)(c) OF THIS SECTION. THE DEPARTMENT OF LAW SHALL
15 PUBLISH THE INTERIM REPORT ON ITS WEBSITE AND SUBMIT A COPY OF THE
16 INTERIM REPORT TO THE METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS
17 TASK FORCE CREATED IN SECTION 24-31-118 (1)(a).

18 (b) ON OR BEFORE JANUARY 15, 2024, THE TASK FORCE SHALL
19 PREPARE A FINAL REPORT OF ITS FINDINGS AND CONCLUSIONS REGARDING
20 MATTERS THE TASK FORCE EXAMINES PURSUANT TO SUBSECTION (3)(c) OF
21 THIS SECTION. THE DEPARTMENT OF LAW SHALL PUBLISH THE FINAL
22 REPORT ON ITS WEBSITE AND SUBMIT COPIES OF THE REPORT TO:

23 (I) THE METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS TASK
24 FORCE CREATED IN SECTION 24-31-118 (1)(a);

25 (II) THE HOUSE OF REPRESENTATIVES TRANSPORTATION, HOUSING,
26 AND LOCAL GOVERNMENT COMMITTEE AND THE SENATE LOCAL
27 GOVERNMENT AND HOUSING COMMITTEE, OR THEIR SUCCESSOR
28 COMMITTEES; AND

29 (III) THE GOVERNOR.

30 (6) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2024.

31 **24-31-118. Metropolitan district homeowners' rights task**
32 **force - creation - membership - duties - facilitation - reporting -**
33 **definition - repeal.** (1) (a) THE METROPOLITAN DISTRICT HOMEOWNERS'
34 RIGHTS TASK FORCE IS CREATED IN THE DEPARTMENT OF LAW, CREATED IN
35 SECTION 24-1-113 (1), TO EXAMINE ISSUES CONFRONTING COMMUNITIES
36 THAT ARE GOVERNED BY THE BOARD OF A METROPOLITAN DISTRICT.

37 (b) (I) AS USED IN THIS SECTION, "METROPOLITAN DISTRICT"
38 MEANS A SPECIAL DISTRICT THAT IS OPERATED IN COMPLIANCE WITH
39 SECTION 32-1-1004 AND CREATED TO FINANCE INFRASTRUCTURE TO
40 SUPPORT A HOUSING SUBDIVISION.

41 (II) DEFINITIONS SET FORTH IN SECTION 24-31-117(1) ALSO APPLY
42 TO THE TERMS AS THEY ARE USED IN THIS SECTION.

43 (2) (a) THE METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS TASK

1 FORCE CONSISTS OF THE FOLLOWING:

2 (I) EX OFFICIO MEMBERS:

3 (A) A REPRESENTATIVE OF THE DEPARTMENT OF LAW, AS

4 APPOINTED BY THE ATTORNEY GENERAL;

5 (B) THE STATE DIRECTOR OF THE DIVISION OF HOUSING IN THE

6 DEPARTMENT OF LOCAL AFFAIRS APPOINTED PURSUANT TO SECTION

7 24-32-704 (1) OR THE DIRECTOR'S DESIGNEE; AND

8 (C) THE DIRECTOR OF THE DIVISION OF REAL ESTATE CREATED IN

9 SECTION 12-10-207 (1) OR THE DIRECTOR'S DESIGNEE; AND

10 (II) MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE OF

11 REPRESENTATIVES, IN CONSULTATION WITH THE CHAIRS OF THE HOUSE OF

12 REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT

13 COMMITTEE AND THE SENATE LOCAL GOVERNMENT AND HOUSING

14 COMMITTEE:

15 (A) TWO HOMEOWNERS RESIDING IN A METROPOLITAN DISTRICT IN

16 THE STATE, AT LEAST ONE OF WHOM RESIDES IN A METROPOLITAN DISTRICT

17 LOCATED IN A DISPROPORTIONATELY IMPACTED COMMUNITY AND AT

18 LEAST ONE OF WHOM SERVES ON THE BOARD OF THE METROPOLITAN

19 DISTRICT IN WHICH THE HOMEOWNER RESIDES;

20 (B) AN ATTORNEY LICENSED IN THE STATE WHO SPECIALIZES IN

21 METROPOLITAN DISTRICT LAW, AS RECOMMENDED BY A STATEWIDE

22 ORGANIZATION THAT REPRESENTS SPECIAL DISTRICTS;

23 (C) AN ELECTED CITY COUNCIL MEMBER, AS RECOMMENDED BY A

24 STATEWIDE ORGANIZATION THAT REPRESENTS MUNICIPALITIES;

25 (D) AN ELECTED COUNTY COMMISSIONER, AS RECOMMENDED BY

26 A STATEWIDE ORGANIZATION THAT REPRESENTS COUNTIES;

27 (E) A REPRESENTATIVE OF A DEVELOPER REGISTERED PURSUANT

28 TO SECTION 12-10-503 (1) THAT HAS ONE OR MORE SUBDIVISIONS

29 LOCATED WITHIN A METROPOLITAN DISTRICT;

30 (F) A REPRESENTATIVE RECOMMENDED BY A STATEWIDE

31 NONPROFIT ORGANIZATION THAT REPRESENTS METROPOLITAN DISTRICT

32 EDUCATION IN A COALITION;

33 (G) AN ATTORNEY LICENSED IN THE STATE WHO PRIMARILY

34 REPRESENTS HOMEOWNERS IN LEGAL PROCEEDINGS AGAINST

35 METROPOLITAN DISTRICTS;

36 (H) A REPRESENTATIVE OF A NONPROFIT ORGANIZATION THAT

37 REPRESENTS THE AFFORDABLE HOUSING COMMUNITY;

38 (I) A MEMBER OF THE HOUSE OF REPRESENTATIVES; AND

39 (J) A MEMBER OF THE SENATE.

40 (b) (I) MEMBERS OF THE TASK FORCE SHALL BE DESIGNATED OR

41 APPOINTED TO THE TASK FORCE PURSUANT TO SUBSECTION (2)(a) OF THIS

42 SECTION ON OR BEFORE NOVEMBER 1, 2023.

43 (II) MEMBERS APPOINTED TO THE TASK FORCE SERVE AT THE

1 PLEASURE OF THE APPOINTING AUTHORITIES. THE APPOINTING
2 AUTHORITIES MAY APPOINT A NEW MEMBER TO THE TASK FORCE TO
3 REPLACE A MEMBER WHO CAN NO LONGER SERVE ON THE TASK FORCE.

4 (III) (A) EXCEPT AS PROVIDED IN SUBSECTION (2)(b)(III)(B) OF
5 THIS SECTION, MEMBERS OF THE TASK FORCE SERVE WITHOUT
6 COMPENSATION.

7 (B) LEGISLATIVE MEMBERS APPOINTED TO THE TASK FORCE
8 PURSUANT TO SUBSECTIONS (2)(a)(II)(I) AND (2)(a)(II)(J) OF THIS SECTION
9 ARE COMPENSATED PURSUANT TO SECTION 2-2-307.

10 (IV) THE TASK FORCE SHALL MEET AS EARLY AS PRACTICABLE
11 AFTER ALL MEMBERS HAVE BEEN DESIGNATED OR APPOINTED PURSUANT
12 TO SUBSECTION (2)(a) OF THIS SECTION. THE REPRESENTATIVE OF THE
13 DEPARTMENT OF LAW SERVING ON THE TASK FORCE IS THE CHAIR OF THE
14 TASK FORCE. THE CHAIR SHALL CONVENE AS MANY MEETINGS OF THE
15 TASK FORCE AS THE CHAIR DEEMS NECESSARY.

16 (c) (I) THE TASK FORCE SHALL EXAMINE ISSUES CONFRONTING
17 METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS, INCLUDING THE
18 FOLLOWING AUTHORITY AND PRACTICES OF METROPOLITAN DISTRICT
19 BOARDS:

20 (A) TAX LEVYING AUTHORITY AND PRACTICES;
21 (B) FORECLOSURE PRACTICES;
22 (C) COMMUNICATIONS WITH HOMEOWNERS REGARDING
23 METROPOLITAN DISTRICT PROCESSES AND HOMEOWNERS' RIGHTS AND
24 RESPONSIBILITIES; AND
25 (D) GOVERNANCE POLICIES, INCLUDING VOTING AND ELECTIONS
26 POLICIES.

27 (II) THE TASK FORCE SHALL ALSO EXAMINE THE PROCESS BY
28 WHICH A METROPOLITAN DISTRICT COULD TRANSITION FROM A
29 METROPOLITAN DISTRICT THAT ENFORCES COVENANTS AND COLLECTS
30 ASSESSMENTS INTO A COMMON INTEREST COMMUNITY GOVERNED UNDER
31 ARTICLE 33.3 OF TITLE 38.

32 (III) AS PART OF THE TASK FORCE'S EXAMINATION, THE TASK
33 FORCE SHALL REVIEW THE INTERIM AND FINAL REPORTS OF THE HOA
34 HOMEOWNERS' RIGHTS TASK FORCE, CREATED IN SECTION 24-31-117 (2),
35 TO DETERMINE WHETHER THE FINDINGS AND CONCLUSIONS SET FORTH IN
36 THOSE REPORTS APPLY TO, AND PROVIDE GUIDANCE FOR, THE TASK
37 FORCE'S OWN FINDINGS AND CONCLUSIONS REGARDING ISSUES
38 CONFRONTING METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS.

39 (3) (a) THE DEPARTMENT OF LAW SHALL HIRE A THIRD-PARTY
40 FACILITATOR TO GUIDE THE WORK OF THE TASK FORCE.

41 (b) THE TASK FORCE MAY SEEK OUT AND ASSIGN MEMBERS OF THE
42 PUBLIC TO SERVE ON AN ADVISORY COMMITTEE TO ASSIST THE TASK FORCE
43 IN ITS WORK.

1 (4) ON OR BEFORE MARCH 15, 2024, THE TASK FORCE SHALL
2 PREPARE A REPORT OF ITS FINDINGS AND CONCLUSIONS REGARDING
3 MATTERS THE TASK FORCE EXAMINES PURSUANT TO SUBSECTION (2)(c) OF
4 THIS SECTION. THE DEPARTMENT OF LAW SHALL PUBLISH THE REPORT ON
5 ITS WEBSITE AND SUBMIT COPIES OF THE REPORT TO:
6 (a) THE HOUSE OF REPRESENTATIVES TRANSPORTATION, HOUSING,
7 AND LOCAL GOVERNMENT COMMITTEE AND THE SENATE LOCAL
8 GOVERNMENT AND HOUSING COMMITTEE, OR THEIR SUCCESSOR
9 COMMITTEES; AND
10 (b) THE GOVERNOR.
11 (5) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2024.
12 **SECTION 3. Safety clause.** The general assembly hereby finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, or safety."

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